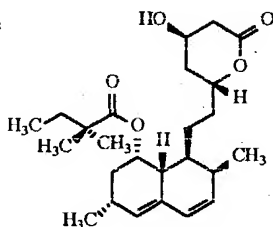


**ABSTRACT OF THE INVENTION**

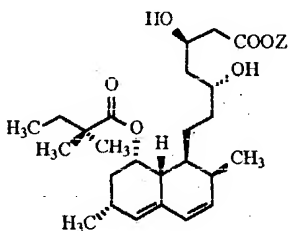
There is disclosed, a process for lactonization to produce highly pure simvastatin of Formula I

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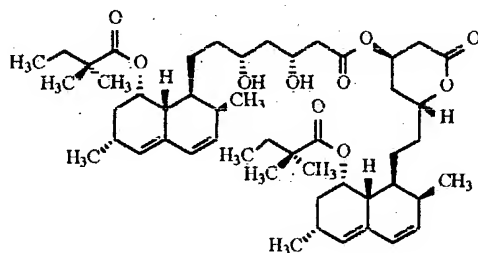
Formula I

which comprises lactonization of a compound of Formula II



Formula II

- 10 where Z is H or NH<sub>4</sub> in a mixture of acetonitrile and glacial acetic acid under anhydrous conditions at a temperature of 65-70°C and wherein the dimer impurity of Formula III formed is less than 0.1% and thereafter adding water to the reaction mixture, thereby causing simvastatin of Formula I to precipitate from the reaction mixture.



Formula III